

# House File 2473 - Introduced

HOUSE FILE \_\_\_\_\_  
BY UPMEYER

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act establishing standardized requirements for long-term care  
2 insurance policies advertised, marketed, offered, delivered,  
3 or issued for delivery in the state, and providing an  
4 applicability date.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 5212YH 82  
7 av/rj/14

PAG LIN

1 1 Section 1. Section 514G.7, subsection 1, Code 2007, is  
1 2 amended to read as follows:

1 3 1. RULES.

1 4 a. The commissioner shall adopt rules establishing  
1 5 standard provisions for terms and benefits required to be  
1 6 included in a long-term care insurance policy advertised,  
1 7 marketed, offered, delivered, or issued for delivery in this  
1 8 state. The rules shall establish a standard format for such  
1 9 long-term care insurance policies to facilitate ease of  
1 10 comparison of the various policies by consumers.

1 11 b. The commissioner ~~may~~ shall adopt rules for full and  
1 12 fair disclosure of the terms and benefits of a long-term care  
1 13 insurance policy, including but not limited to rules setting  
1 14 forth the manner, content, and required disclosures for the  
1 15 sale of long-term care insurance policies, terms of  
1 16 renewability, initial and subsequent conditions of  
1 17 eligibility, nonduplication of coverage provisions, coverage  
1 18 of dependents, preexisting conditions, termination of  
1 19 insurance, probationary periods, limitations, exceptions,  
1 20 reductions, elimination periods, requirements for replacement,  
1 21 recurrent conditions, and definitions of terms.

1 22 Sec. 2. Section 514G.10, Code 2007, is amended to read as  
1 23 follows:

1 24 514G.10 LONG-TERM CARE CONSUMER GUIDE.

1 25 An insurer offering a long-term care insurance policy to  
1 26 any person shall provide to the applicant the current  
1 27 long-term care insurance consumer guide prescribed by the  
1 28 insurance division of the department of commerce. The  
1 29 long-term care insurance guide prescribed by the insurance  
1 30 division shall include a description of the standard terms and  
1 31 benefits required to be included and the standard format  
1 32 required to be used in such a long-term care insurance policy  
1 33 in this state. The commissioner of insurance may by reference  
1 34 adopt or permit the use of the long-term care insurance  
1 35 consumer guide developed by the national association of  
2 1 insurance commissioners, the blue cross and blue shield  
2 2 association, or the health insurance association of America,  
2 3 if the consumer guide that is adopted or permitted to be used  
2 4 by reference meets all the requirements of this section.

2 5 Delivery of the long-term care insurance consumer guide shall  
2 6 be made if a policy is advertised, solicited, or issued as a  
2 7 policy as defined in this chapter, or if it is subject to this  
2 8 chapter, regardless of the label applied by the insurer.  
2 9 Except in the case of direct response insurers, delivery of  
2 10 the long-term care insurance consumer guide shall be made to  
2 11 the applicant at the time of application, and acknowledgment  
2 12 of receipt of the long-term care insurance consumer guide  
2 13 shall be obtained by the insurer. A direct response insurer  
2 14 shall deliver the long-term care insurance consumer guide to  
2 15 the applicant at the time the policy is delivered. An  
2 16 insurance company required to distribute the guide shall  
2 17 reimburse the state for all costs associated with the guide.

2 18 Sec. 3. APPLICABILITY. This bill applies to long-term

2 19 care insurance policies advertised, marketed, offered,  
2 20 delivered, or issued for delivery in this state on or after  
2 21 July 1, 2008.

2 22 EXPLANATION

2 23 This bill establishes standardized requirements for  
2 24 long-term care insurance policies advertised, marketed,  
2 25 offered, delivered, or issued for delivery in the state.

2 26 The bill amends Code section 514G.7 to require the  
2 27 commissioner of insurance to adopt rules establishing standard  
2 28 provisions for terms and benefits that must be included in a  
2 29 long-term care insurance policy advertised, marketed, offered,  
2 30 delivered, or issued for delivery in this state. The  
2 31 commissioner is also required to adopt rules that establish a  
2 32 standard format for such policies to facilitate ease of  
2 33 comparison of the various policies by consumers.

2 34 The bill amends Code section 514G.10 to require that the  
2 35 long-term care insurance consumer guide prescribed by the  
3 1 insurance division of the department of commerce must include  
3 2 a description of the standard terms and benefits, and format  
3 3 that are required to be included or used in long-term care  
3 4 insurance policies in Iowa. A provision allowing the  
3 5 commissioner of insurance to by reference adopt or permit the  
3 6 use of long-term care insurance consumer guides prepared by  
3 7 other specified entities is amended to allow such adoption or  
3 8 use by reference only if the consumer guide meets all the  
3 9 requirements of the Code section.

3 10 The bill is applicable to long-term care insurance policies  
3 11 advertised, marketed, offered, delivered, or issued for  
3 12 delivery on or after July 1, 2008.

3 13 LSB 5212YH 82

3 14 av/rj/l4